



Finance

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Media Statement

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Mabe ensures continued scholar transportation

The department of Finance, having learnt about the problems associated with effective provision of scholar transport, undertook a quick investigation in order to determine the status of the programme. The programme is currently the responsibility of the Department of Public Works, Road and Transport (DPWRT) together with the Department of Education.

However, the MEC for Finance Louisa Mabe says that the Province is committed towards ensuring that learners have access to education and training through the scholar transport programme. This is a key programme intended to ensure that learners who travel a long distance to schools are assisted by government.

Mabe also said the provincial government would always ensure the provision of efficient scholar transport, sound management of government resources and compliance with the law in terms of payment of service provider within prescribed period.

The MEC recently commissioned a preliminary investigation to mainly look at the budget of the programme including assessment of the spending to date against the allocation.

“The investigation established that over a period of two years DPWRT spent R200 million on this programme and the projected shortfall on the programme is R90 million. With the anticipated shortfall, the budget of scholar transport would increase to R204 million from R114 million in the current financial year which is equal to the same amount of money which was spent by the department in two years.

“The findings further identified inconsistency with regard to the increased kilometer rates which have been increased and impact negatively on the budget of the department and programme. The increase was implemented without informing provincial treasury to ensure that funds are availed.

“On the basis of the preliminary findings, a full comprehensive investigation would have to be conducted early next year with the sole mandate of identifying gaps within the programme and develop measures to ensure the programme functions efficiently,” said the MEC.

Mabe said late and non-payment of service providers associated with scholar transport were recently raised with DPWRT as this could impact on the ability of the department to provide reliable service to learners.

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The late and non-payment of service providers is not in compliance with the PFMA and as such Treasury has for the past weeks worked with DPWRT to identify savings in order to address the depleted budget of scholar transport.

“This engagement has led to a situation where the Provincial Treasury has agreed to shifting funds from non-core activities to address the shortfall within the programme. An amount of R70 million identified as savings would be moved from other programmes of DPWRT to scholar transport programme and this will bring the budget to R184 million. The additional funding will carry the programme until the end of March 2012. Those who increased rates without informing Provincial Treasury will have to account”, said Mabe.

Mabe said with regard to the 2012 MTEF allocations, Treasury would be ring-fencing funding for the programme and monitor it closely to ensure that budget overruns and shortfalls are avoided.

The Provincial Treasury, Education and Training and department of Public Works, Road and Transport would work together to ensure that scholar transport is available come the new year and most importantly service providers are paid for the services rendered.

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